

DEPARTMENT OF DEFENSE EXPORT LOAN GUARANTEE APPLICATION

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PLEASE DO NOT RETURN YOUR FORM TO THE ABOVE ADDRESS. RETURN COMPLETED FORM TO THE DELG PROGRAM OFFICE.

Please read the instructions on Page 5 before completing this form. Type the requested information. Processing of your application may be delayed if the requested information is not provided or the required fee is not attached.

FEE ATTACHED - Checks should be made payable to Defense Export Loan Guarantee Program.

1. TYPE OF RESPONSE REQUESTED LETTER OF INTEREST FINAL COMMITMENT **2. PRIOR RESPONSES** (If DELG has already issued a letter of interest for this transaction, provide the reference number.)

3. TYPE AND STATUS OF TRANSACTION

a. TYPE LONG-TERM LEASE SALE **b. STATUS** PREPARING BID (Date due) CONTRACT IN NEGOTIATION CONTRACT AWARDED

4. FOREIGN MILITARY SALES. Will any portion of the sale be handled as FMS?

YES (List FMS case number)
 NO

5. APPLICANT. The applicant for a letter of interest may be any responsible individual, financial institution or non-financial enterprise. The applicant for a final commitment must be either the lender or borrower.

a. NAME (If an individual: Last, First, Middle Initial) **b. DUNS NUMBER** **c. TAXPAYER IDENTIFICATION NUMBER**
d. CONTACT PERSON (Last Name, First Name, Middle Initial) **e. TELEPHONE NO.** (Include Area Code)
f. POSITION TITLE **g. FAX NUMBER** (Include Area Code)
h. ADDRESS: (1) STREET (Include apartment or suite number)
(2) CITY (3) STATE/PROVINCE (4) POSTAL CODE (5) COUNTRY

6. LENDER. The "lender" is the company that extends the DELG guaranteed loan to the borrower. (X if applicable:)

APPLICANT IS APPLYING FOR A LETTER OF INTEREST AND A LENDER HAS NOT BEEN IDENTIFIED. OTHERWISE, COMPLETE 6.a. - h. BELOW.
 LENDER IS THE APPLICANT AND THE APPLICANT'S OFFICE LISTED IN ITEM 5 IS THE BOOKING OFFICE FOR THE GUARANTEED LOAN.

a. COMPANY NAME **b. DUNS NUMBER** **c. TAXPAYER IDENTIFICATION NUMBER**
d. CONTACT PERSON (Last Name, First Name, Middle Initial) **e. TELEPHONE NO.** (Include Area Code)
f. POSITION TITLE **g. FAX NUMBER** (Include Area Code)
h. ADDRESS: (1) STREET (Include apartment or suite number)
(2) CITY (3) STATE/PROVINCE (4) POSTAL CODE (5) COUNTRY

7. SUPPLIER/EXPORTER. The "supplier" is the U.S. company which manufactures the goods and/or performs the services to be exported. Information on additional suppliers is not required for a letter of interest.

a. NAME (If an individual: Last, First, Middle Initial) **b. DUNS NUMBER** **c. TAXPAYER IDENTIFICATION NUMBER**
d. ADDRESS: (1) STREET (Include apartment or suite number) **e. TELEPHONE NO.** (Include Area Code)
(2) CITY (3) STATE/PROVINCE (4) POSTAL CODE (5) COUNTRY
f. PLACE OF PERFORMANCE OF WORK: (1) CITY (2) STATE

8. BORROWER/OBLIGOR. The "borrower" or "obligor" is the country, agency, or ministry that has the authority to assume sovereign debt on behalf of the country. Complete the information below.

a. BORROWER COUNTRY/AGENCY

b. NAME OF CONTACT *(Last, First, Middle Initial)*

c. TELEPHONE NO. *(Include Area Code)*

d. ADDRESS: (1) STREET *(Include apartment or suite number)*

(2) CITY

(3) STATE/PROVINCE

(4) POSTAL CODE

(5) COUNTRY

9. END USER. The "end user" is the country, agency, or ministry that will use the defense items. Complete the information below.

a. BORROWER COUNTRY/AGENCY

b. NAME OF CONTACT *(Last, First, Middle Initial)*

c. TELEPHONE NO. *(Include Area Code)*

d. ADDRESS: (1) STREET *(Include apartment or suite number)*

(2) CITY

(3) STATE/PROVINCE

(4) POSTAL CODE

(5) COUNTRY

10. RELATED PARTICIPANTS. *(Describe below any direct or indirect ownership interest, management participation, or family relationship among any of the participants identified in Items 5 through 9 above.)*

11. EXPORT ITEMS. The "export items" are the defense articles, defense services, or design and construction services to be exported. *(Briefly describe the principal defense articles, defense services, or design and construction services (as categorized by the U.S. Munitions Control List), including the type, quantity, model number and capacity (if applicable), and SIC Code.)*

12. EXPORT LICENSES FOR DEFENSE ITEMS AND OTHER WRITTEN APPROVALS	
a. HAVE YOU APPLIED FOR OR OBTAINED FROM THE DEPARTMENT OF STATE ALL APPLICABLE EXPORT LICENSES OR OTHER WRITTEN APPROVALS FOR THE PURPOSES OF MARKETING, BROKERING, OR THE EXCHANGE OF TECHNICAL DATA?	
<input type="checkbox"/> YES	<input type="checkbox"/> NO
b. AN EXPORT LICENSE FOR DEFENSE ITEMS MUST BE OBTAINED FROM THE DEPARTMENT OF STATE BEFORE A FINAL COMMITMENT CAN BE ISSUED. HAVE YOU APPLIED FOR OR OBTAINED AN EXPORT LICENSE FOR THE DEFENSE ITEMS?	
<input type="checkbox"/> APPLIED	<input type="checkbox"/> OBTAINED (<i>License Number</i>) _____
13. FOREIGN COMPETITION	
<input type="checkbox"/> X THIS BOX IF, TO THE BEST OF YOUR KNOWLEDGE, THERE IS AT LEAST ONE ENTITY OFFERING NON-U.S. GOODS AND/OR SERVICES IN DIRECT COMPETITION FOR THIS SPECIFIC SALE OR LONG-TERM LEASE.	
14. CONTRACT PRICE	
The "contract price" is the total value of goods to be exported from the U.S. and services to be performed by U.S. companies as shown in the supplier's contract with the borrower. The "eligible foreign content" is the portion of the contract price representing components to be purchased by the supplier outside the U.S. and incorporated in the U.S. into the items to be exported. Note that the eligible foreign content, if any, is part of the contract price. Costs to be incurred in the end-user's country are not considered eligible foreign content.	
a. CONTRACT PRICE (<i>Including eligible foreign content</i>)	b. ELIGIBLE FOREIGN CONTENT
\$	\$
15. REPAYMENT TERMS	
Generally, six months after the event that marks the fulfillment of the exporter's contractual responsibility (<i>delivery of goods and/or services in most cases</i>), the repayment of principal is made in equal installments on a semiannual basis.	
a. PROJECTED DATE FOR START OF PRINCIPAL REPAYMENT <i>(Month/year)</i>	b. PRINCIPAL REPAYMENT TERM (<i>Years</i>)
16. INTEREST RATE	
What is the fixed or floating commercial lending rate the borrower expects to secure from the lender for the guaranteed loan?	
a. FIXED RATE (<i>% per annum</i>)	b. FLOATING RATE (<i>Include rate basis, e.g. LIBOR + 25bp</i>)
17. PRODUCTION COST	
"Production cost" of an export item is the sum of (i) direct material and component costs, (ii) direct labor costs, and (iii) indirect costs that can reasonably be attributed to the production of the export item.	
a. IF THE AMOUNT TO BE FINANCED EQUALS \$10 MILLION OR LESS AND THE REPAYMENT TERM EQUALS 7 YEARS OR LESS, DOES THE AGGREGATE U.S. PRODUCTION COST OF ALL EXPORT ITEMS EXCEED 50 PERCENT OF THE TOTAL PRODUCTION COST?	
<input type="checkbox"/> YES	<input type="checkbox"/> NO
b. IF THE AMOUNT TO BE FINANCED IS MORE THAN \$10 MILLION OR THE REPAYMENT TERM IS MORE THAN 7 YEARS, DOES THE U.S. PRODUCTION COST OF EACH EXPORT ITEM EXCEED 50 PERCENT OF THE TOTAL PRODUCTION COST?	
<input type="checkbox"/> YES	<input type="checkbox"/> NO
18. GUARANTEED PORTION	
The DELG guarantee applies to the lesser of 85 percent of the contract price or 100 percent of U.S. content (<i>contract price minus eligible foreign content</i>).	
AMOUNT TO BE GUARANTEED:	
\$	
19. EXPOSURE FEE	
The exposure fee is DELG's charge for accepting the risk of a transaction. The applicant understands that the exposure fee cannot be included in the loan amounts to be guaranteed under the DELG program and certifies that the exposure fee is not included in the contract price.	
HAS THE EXPOSURE FEE BEEN INCLUDED IN THE CONTRACT PRICE?	
<input type="checkbox"/> YES	<input type="checkbox"/> NO
20. DISBURSEMENT SCHEDULE	
The disbursement period is the time during which the loan will be paid out by the lender, based on the provisions of the applicable loan agreement. The disbursement schedule shows the timing and amount of disbursements to either the borrower or directly to the exporter. The disbursement period for a loan guaranteed by DELG may not exceed 5 years.	
ATTACH A DISBURSEMENT SCHEDULE. (<i>This should include the month, year and amount of each disbursement of the guaranteed loan.</i>)	

21. DOCUMENTS

a. **LETTER OF INTEREST.** Attach a disbursement schedule as indicated in Item 20 above.

b. **FINAL COMMITMENT.** The following documents must be attached to an application:*

- (1) A copy of the sales contract or long-term lease;
- (2) Evidence of sovereign acceptance;
- (3) The acquisition list;
- (4) A mandate letter, if the applicant is the borrower;
- (5) A term sheet from the lender;
- (6) A disbursement schedule as indicated in Item 20 above;
- (7) Credit report on exporter, if requested by DELG;
- (8) Anti-lobbying declarations signed by the supplier/exporter and the lender (Attachment A);
- (9) Any additional information requested by DoD.

*See Item 12 above for the requirement for an export license for defense items and other written approvals.

22. ACCEPTANCE OF COMMITMENT FEE

DELG charges a commitment fee of 1/8 of 1 percent per annum on the undisbursed balance of the guaranteed loan. The commitment fee begins to accrue 60 days after authorization of the final commitment and is payable semiannually in arrears on a schedule determined at the time of authorization of the final commitment.

If the applicant is the borrower, then, by signing the application, the applicant irrevocably commits itself to pay the commitment fee. If the applicant is the lender, then the lender has the option of (i) signing the application which irrevocably commits it to pay the fee, or (ii) signing the application and enclosing a standard form fee letter from the borrower which will irrevocably commit the borrower to pay the fee.

23. CERTIFICATIONS

If the applicant is a lender, exporter or supplier: The undersigned further certifies either that (i) it is not currently, nor has it been within the preceding three years: 1) debarred, suspended, or declared ineligible from participating in any Federal program; 2) formally proposed for debarment, with a final determination still pending; 3) voluntarily excluded from participation in a Federal transaction; or 4) indicted, convicted or had a civil judgment rendered against it for any of the offenses listed in the Regulations Governing Debarment and Suspension (Government-wide Nonprocurement Debarment and Suspension Regulations; Common Rule), 53 Fed. 19024 (1988) or (ii) that if it is unable to make the certification set forth in (i), that it has attached a detailed explanation of the grounds for this failure (including dates, identification of any debarring official or suspending official, as such terms are defined in the Debarment Regulations, and his or her agency, and details of any proposed or actual debarment, suspension, declaration of ineligibility, voluntary exclusion, indictment, conviction, or civil judgment).

The undersigned further certifies that, in accordance with the Arms Export Control Act, all authority required from the Department of State prior to engaging in marketing, brokering, and data exchange activities with the foreign sovereign has been or will be obtained.

BY SUBMITTING THIS APPLICATION, THE UNDERSIGNED CERTIFIES THAT THE FACTS STATED AND THE REPRESENTATIONS MADE IN THIS APPLICATION ARE TRUE, TO THE BEST OF THE APPLICANT'S KNOWLEDGE AND BELIEF AFTER DUE DILIGENCE, AND THAT THE APPLICANT HAS NOT OMITTED ANY MATERIAL FACTS.

a. APPLICANT (COMPANY) NAME

b. AUTHORIZED OFFICER

(1) NAME (Last, First, Middle Initial)

(2) TITLE

c. SIGNATURE OF AUTHORIZED OFFICER

d. DATE SIGNED

The applicant and the Department of Defense acknowledge and agree that, to the extent the applicant marks the information with a proprietary legend, the information provided in the application shall be treated as such recognizing, however, that the Department of Defense will disclose all documents to its authorized consultants, all of whom shall also agree to hold such information as proprietary.

The DELG Program staff would be pleased to assist you in applying for financial support. If you have questions, please telephone: (703) 506-5450 or (703) 506-5857.

TAXPAYER IDENTIFYING NUMBERS: The DELG Program Office intends to use the taxpayer identifying numbers furnished on this application for purposes of collecting and reporting on any claims arising out of such person's or business entities' relationships with the U.S. Government.

DEPARTMENT OF DEFENSE EXPORT LOAN GUARANTEE APPLICATION

HOW TO APPLY

Use the attached form to apply for a letter of interest or a final commitment for a Defense Export Loan Guarantee (DELG) to support a U.S. export transaction. The form is designed to collect basic information needed to undertake case processing. Applicants are encouraged to provide attachments to the application form, as needed. A complete application will include:

1. The application form, completed and signed.
2. The processing fee. Checks should be made payable to DEFENSE EXPORT LOAN GUARANTEE PROGRAM. An application received without the appropriate fee will not be processed.
3. For a final commitment, the documents requested in the application.

For a letter of interest, items 14 through 18 may be estimated. However, calculations of terms and fees are only as precise as the information provided. All information must be provided for a final commitment.

Completing the Application Form

The following instructions apply to the attached application form.

1. **Type of Response.** A letter of interest may be requested by any responsible party. A final commitment may be requested by the lender or the borrower. It is not necessary to obtain a letter of interest before applying for a final commitment.
2. **Prior Responses.** The reference number for a letter of interest will be available, if the applicant has already obtained a letter of interest and now seeks a final commitment or seeks to renew or update a letter of interest.
3. **Type of Transaction.** If the type of transaction involves both a sale and long-term lease component, check both boxes. Indicate the status of the transaction by checking the box which best describes the contract stage. If responding to an invitation to bid, enclose the bid documents in English with the application.
4. **Foreign Military Sales.** The applicant shall provide the FMS case number, if the applicant is requesting financing for any part of the purchase or long-term lease under DoD's Foreign Military Sales Program.
5. **Applicants.** All DELG correspondence will be directed to the company/agency and individual cited in the applicant section. Include a Duns number for all applicants, unless the applicant is a foreign country, agency or ministry. If a Duns number is not known, contact a Dun and Bradstreet office listed in your local telephone directory.
6. **Lender.** If the lender is the applicant, no additional information is required unless the address listed for the applicant differs from the lender's booking office.
7. **Supplier/Exporter.** For a letter of interest, no additional information is required if the supplier/exporter is also the applicant. If the application is for a final commitment, provide the same reporting information for all other suppliers on additional sheets and attach to the application.
8. **Borrower/Obligor.** No additional information is required if the borrower is also the applicant. If the borrower cannot commit the full faith and credit of its government, then the applicant must include the reporting information of the obligor. In many cases, the borrower and the obligor are the same entity.
9. **End User.** No additional information is required if the end user is also the borrower.

10. Related Participants. Self-explanatory.

11. Export Items. Briefly describe the defense articles, defense services, including, where appropriate, the type, quantity, model number and capacity, and product SIC codes.

12. Export Licenses for Defense Items and Other Written Approvals. The lender, supplier, or exporter must obtain from the Department of State export licenses and other written approvals prior to engaging in activities with the foreign sovereign such as marketing, brokering and the exchange of technical data. Although the lender, supplier, or exporter need not obtain these licenses to receive a letter of interest, it must certify that it has applied for any such required licenses. Before a final commitment is issued, it must certify that it has obtained an export license for defense items.

13. Foreign Competition. Self-explanatory.

14. Contract Price. The total contract price is the amount shown in the suppliers' invoice related to defense articles, defense services or design and construction services to be exported. If there is more than one supplier, the contract price is the sum of the suppliers' invoice amounts. The eligible foreign content amount is the portion of the contract price representing foreign-made components to be incorporated into the U.S. export items.

15. Repayment Terms. Transactions generally follow the usual and customary repayment terms encountered in international trade. Provide the month and year for the beginning of repayment of the loan and the repayment period of the loan.

16. Interest Rate. Self-explanatory.

17. Production Cost. If the amount to be financed equals \$10 million or less and the repayment term equals 7 years or less, the applicant must assess the production cost of the export items in the **aggregate**. If the amount is greater than \$10 million or the repayment terms are greater than 7 years, the applicant needs to assess the production cost of **each** export item.

18. Guaranteed Portion. DoD's maximum guarantee will be the lesser of 85 percent of the contract price or 100 percent of the U.S. content.

19. Exposure Fee. Self-explanatory.

20. Disbursement Schedule. The disbursement period cannot be longer than the delivery of operable equipment or five years, whichever is less.

21. Documents. No additional documents are required if the applicant seeks a letter of interest. All of the documents listed here must be received by DoD before a final commitment letter will be issued.

22. Certification. The certification applies only when the applicant is a lender, exporter or supplier.

Contacting DELG. To discuss specific export transactions, please contact the DELG Program Office.

Telephone: (703) 506-5450 or (703) 506-5857

Mail: Defense Export Loan Guarantee Program
c/o Barbara Castanon
GRC International
1900 Gallows Rd.
Vienna, VA 22182

For further information or assistance, visit the DELG Program website at: www.delg.org